

**IL-2220 Computation of Penalties for Businesses****2006**For **original returns only** filed on Forms IL-1120, IL-1120-ST, IL-1065, IL-1041, IL-1023-C, or IL-990-T.

Do not use this form with any amended return. See instructions for more information.

IL Attachment No. 19

Step 1: Complete the following information

- 1 This form is for 2006 calendar year or for fiscal year beginning _____, and ending _____.
Month Day Year Month Day Year
- 2 Write your name as it appears on your annual return. 2 _____
- 3 Write your FEIN as it appears on your annual return. 3 _____ - _____
- 4 If your prior year return was filed under a different FEIN than the one shown on Line 3, write that number here. 4 _____ - _____

Step 2: Figure your required installments - Form IL-1120 filers only

	A This year	B Last year
5 Write the total net income and replacement tax from Form IL-1120. See instructions. If prior year's tax was zero or you filed a short year return, write "N/A" in Column B. 5 _____		
6 Multiply Column A, Line 5, by 90% (.9). 6 _____		
7 If Column A, Line 5, is \$400 or less, write "0" and go to Step 3. Otherwise, write the lesser of Column A, Line 6, or Column B, Line 5. See instructions. 7 _____		
8 Divide the amount on Line 7 by four. This is the amount of each required installment. (If you used the annualized income installment method, see instructions.) 8 _____		

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
9 Write in Quarters 1 through 4, the installment date that corresponds with the 15th day of the 4th, 6th, 9th, and 12th month of your tax year. 9 _____				
10 Write the required installment. See instructions. 10 _____				
11 Write the amount of credit carried forward from the prior year. 11 _____	Do not write on this line.	Do not write on this line.	Do not write on this line.	Do not write on this line.
12 Subtract Line 11 from Line 10. If the amount is negative, use brackets. Write in Quarters 2 through 4, the amount from Line 10. 12 _____				
13 If the amount on Line 14 of the previous quarter is negative, write that amount as a positive here. Otherwise, write "0." 13 Skip this line for Quarter 1. _____				
14 Subtract Line 13 from Line 12. If the amount is negative, use brackets. 14 _____				

Step 3: Figure your unpaid tax

- 15 Write your total net income and replacement tax. See instructions. 15 _____
- 16 a Write the amount of your credit carryforward from the prior year and your total estimated tax payments made this year. 16a _____
- b **Form IL-1120 filers only:** Write the amount from Line 7, or, if you annualized, the total of Line 10. All other filers, write zero. 16b _____
- Write the **greater** of Line 16a or Line 16b here. 16 _____
- 17 Write other payments made **on or before** your original due date.
- a Write the amount and the date of your Form IL-505-B. 17a _____
- b Write the amount and the date of any other payment. 17b _____
- Add Lines 17a and 17b. 17 _____
- 18 Add Lines 16 and 17. 18 _____
- 19 Subtract Line 18 from Line 15. If this amount is
—**positive**, write that amount here. Continue to Step 4 and write this amount in Penalty Worksheet 1, Line 21, Column C.
—**zero or negative**, write that amount here and, if negative, use brackets. Continue to Step 4, skip Penalty Worksheet 1, and go to Penalty Worksheet 2. You may apply this overpayment to any underpayment when figuring your Penalty Worksheet 2. See instructions. 19 _____

Step 4: Figure your late-payment penalty

Use Penalty Worksheet 1 to figure your late-payment penalty for unpaid tax.

Use Penalty Worksheet 2 to figure your late-payment penalty for underpayment of estimated tax.

Note You **must** follow the instructions in order to properly complete the penalty worksheets.

Penalty rates

Number of days late Penalty rate

1 - 3002
31 or more..... .10

Penalty Worksheet 1 — Late-payment penalty for unpaid tax

20 Write the amount and the date of any payment you made **after** your original due date. See instructions.

Amount

Date paid

a _____
b _____

21 Write the amount from Line 19 on the first line of Column C below.

A	B	C	D	E	F	G	H	I
Period	Due date	Unpaid amount	Payment applied	Balance due (Col. C - Col. D)	Payment date	No. of days late	Penalty rate (see above)	Penalty
Return	_____	_____	_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____	_____

22 Add Column I. This is your **late-payment penalty for unpaid tax**.

Write the total amount here and on Line 29a.

22 _____

Note You may apply any remaining overpayment in Column E above to any underpayment when figuring Penalty Worksheet 2.

Penalty Worksheet 2 — Late-payment penalty for underpayment of estimated tax

Note If you paid the required amount from Line 14 by the payment due date on Line 9 for each quarter, do not complete this worksheet.

23 Write the amount and the date of each estimated income tax payment you made. See instructions.

Estimated income tax payments

Amount

Date paid

Amount

Date paid

Amount

Date paid

a _____ c _____ e _____
b _____ d _____ f _____

24 Write the unpaid amounts from Line 14, Quarters 1 through 4, on the first line of the appropriate quarters in Column C below.

A	B	C	D	E	F	G	H	I
Period	Due date	Unpaid amount	Payment applied	Balance due (Col. C - Col. D)	Payment date	No. of days late	Penalty rate (see above)	Penalty
Qtr. 1	_____	_____	_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____	_____
Qtr. 2	_____	_____	_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____	_____
Qtr. 3	_____	_____	_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____	_____
Qtr. 4	_____	_____	_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____	_____

25 Add Column I, Quarters 1 through 4. This is your **late-payment penalty for underpayment of estimated tax**.


Write the total amount here and on Line 29b.

25 _____

Step 5: Figure your late-filing penalty and your total penalties

Note → Complete Lines 26 through 28 to figure your late-filing penalty only if

- you are filing your return after the extended due date; and
- your tax was not paid by your original due date.

26	Write the amount of your tax due from your annual return. See instructions.	26	_____
27	Multiply the amount on Line 26 by 2% (.02).	27	_____
28	Write the lesser of Line 27 or \$250. This is your late-filing penalty . See instructions	28	_____
29	a Write your late-payment penalty for unpaid tax from Line 22. See instructions	a	_____
	b Write your late-payment penalty for underpayment of estimated tax from Line 25. See instructions	b	_____
Form IL-1120, IL-1120-ST, and IL-1065 filers, stop here. 			
Form IL-1041, IL-1023-C, and 990-T filers, continue below.			
	Add Lines 29a and 29b.	29	_____
30	Add Lines 28 and 29. Write "penalty" and this amount to the left of the tax due line on your annual return. Attach this form (front and back) to your return.	30	_____

Step 6: Complete the annualization worksheet for Step 2, Line 10

Note → Complete this worksheet only if

your income was not received evenly throughout the year and you choose to annualize your income.

Complete Column A, Lines 31 through 47, before going to the next column.

	A	B	C	D
		First 3 months	First 6 months	First 9 months
31	Write your Illinois net income for each period.	31 Do not write on this line.		
32	Annualization factors	32 Do not write on this line.	4	2
33	Multiply Line 31 by Line 32.	33 Do not write on this line.		1.33333
		First 3 months	First 5 months	First 8 months
34	Write your Illinois net income for each period.	34		
35	Annualization factors	35 4	2.4	1.5
36	Multiply Line 34 by Line 35.	36		1.09091
37	In Column A, write the amount from Line 36, Column A. In Columns B, C, and D, write the lesser of Line 33 or 36 for each period.	37		
38	Net income and replacement tax for the period. See instructions.	38		
39	Applicable percentage	39 22.5% (.225)	45% (.45)	67.5% (.675)
40	Multiply Line 38 by Line 39. This is your annualized installment.	40		90% (.9)
41	Add the amounts on Line 47 of each of the preceding columns and write the total here.	41 Do not write on this line.		
42	Subtract Line 41 from Line 40. If less than zero, write "0."	42		
43	Divide Step 2, Line 7 by four and write the result in each column.	43		
44	Write the amount from Line 46 of the preceding column.	44 Do not write on this line.		
45	Add Lines 43 and 44.	45		
46	If Line 45 is greater than Line 42, subtract Line 42 from Line 45. Otherwise, write "0."	46		
47	Write the lesser of Line 42 or 45 here and on Step 2, Line 10. This is your required installment.	47		



